GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:680
ANSWERED ON:28.07.2006
IMPORT OF READYMADE GARMENTS INVESTIGATED BY DRI.
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri

Will the Minister of FINANCE be pleased to state:

(a) Whether the Directorate of Revenue Intelligence is investigating a major racket involving import of large quantities of readymade garments from China through Karipur Airport as reported in The Hindu dated May 10,2006:

(b) If so, the modus operandi of the racket;

(c) Whether the Government propose to check such rackets which are directly affecting the economy of the country;

(d) If so, the details thereof; and

(e) If not the reason therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) Yes, Sirs. The officers of DRI, Calicut are investigating into the import of readymade garments from Hong Kong (PR of China) and Thailand through Karipur Airport, Calicut.

(b) The modus operandi involved is to misclassify/misdeclare the composition of goods to wrongfully avail lower rate of duty.

(c)&(d) Yes, Sirs. All consignments of readymade garments are being sent for testing to ascertain the nature and composition of the import goods for correct classification.

(e) Does not arise in view of

(c) & (d) above.